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Three Past and Present Apache County School Officials Indicted

(Phoenix, Ariz. – April 24, 2007) Attorney General Terry Goddard today announced the indictment of William Bean, 52, former Red Mesa Unified School District Superintendent, Stewart Waite, 35, former Red Mesa Unified School District Business Manager, and Sadie Tso, 53, Red Mesa School Governing Board President, on theft and fraud charges. Waite was also charged with forgery.

The Red Mesa Unified School District is located in Teec Nos Pos in Apache County. It serves approximately 900 students from kindergarten through high school.

The indictment alleges that Waite, of Concho, and Bean, of Phoenix, obtained district credit cards that they both used for cash advances and retail purchases for their own personal benefit. The indictment alleges that Waite ran up a credit card bill of more than \$260,000 and also wrote himself a check for another \$15,000 for personal use. Bean allegedly ran up a credit card bill of more than \$83,000.

According to the indictment, after receiving the credit card statements from Wells Fargo, Waite and Bean represented to school district officials that the purchases were authorized and had the Red Mesa Unified School District pay the bills.

The forgery charge alleges that Waite altered his 2004-2005 employment contract with Red Mesa Unified School District.

The fraud counts state that Waite, Bean and Tso, of Teec Nos Pos, when responding to inquiries from the Arizona State Auditor General's Office regarding improper use of district credit cards, forwarded employment contracts for Waite and Bean that allegedly contained false statements.

Finally, the indictment alleges that Tso improperly approved settlement payouts to Waite and Bean after they resigned from their positions. According to the indictment, Tso improperly approved \$110,377 in compensation and benefits to Waite and \$194,063 in compensation and benefits to Bean.

If convicted of all charges, Waite faces 67.5 in prison, Bean faces 55 years in prison and Tso faces 30 years in prison. The indictments are a result of a joint investigation between the Arizona Auditor General's Office and the Attorney General's Office. Assistant Attorney General Paul Ahler is prosecuting this case.

A copy of the indictment is attached.